



LAWRENCE V. ROBERTSON, JR. ATTORNEY AT LAW

P. O. Box 1448 TUBAC, ARIZONA 85646

OF COUNSEL TO MUNGER CHADWICK, P.L.C.

(520) 398-0411 FAX: (520) 398-0412 EMAIL: TUBACLAWYER@AOL.COM

ADMITTED TO PRACTICE IN: ARIZONA, COLORADO, MONTANA, NEVADA, TEXAS, WYOMING, DISTRICT OF COLUMBIA

July 10, 2009

Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007

Arizona Corporation Commission DOCKETED

JUL 14 2009

DOCKETED BY

Re:

Diablo Village Water Company and Thim Utility Co.

Docket Nos. W-02309A-09-0095 and W-03293A-09-0095

To Whom It May Concern:

Enclosed for filing in the above-referenced proceeding are the original and fifteen (15) copies of the Joint Applicants' Comments on the July 8, 2009 Commission Staff Report ("Comments") on behalf of Diablo Village Water Company and Thim Utility Co.

Also enclosed are two (2) additional copies of the Comments. I would appreciate it if you would "filed" stamp the same and return them to me in the enclosed stamped and addressed envelope.

Thank you for your assistance with regard to this matter.

Sincerely,

Angela/R. Trujillo

Secretary

Lawrence V. Robertson, Jr.

LAWRENCE V. ROBERTSON, JR. ATTORNEY AT LAW

BEFORE THE ARIZONA CORPERATEON COMMISSION

COMMISSIONERS

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

2009 JUL 14 A 9:48

AZ CORP COMMISSION DOCKET CONTROL

KRISTIN K. MAYES, Chairman GARY PIERCE SANDRA KENNEDY PAUL NEWMAN ROBERT STUMP

IN THE MATTER OF THE JOINT APPLICATION OF DIABLO VILLAGE WATER COMPANY AND THIM UTILITY CO. FOR AUTHORIZATION TO AND TRANSFER WATER **SYSTEM** ASSETS METROPOLITAN TO DOMESTIC WATER **IMPROVEMENT** DISTRICT ANDCANCELLATION **OF CERTIFICATES** OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-02309A-09-0095 DOCKET NO. W-03293A-09-0095

JOINT APPLICANTS'
COMMENTS ON JULY 8, 2009
COMMISSION STAFF REPORT

Pursuant to the Commission's June 9, 2009 Procedural Order, Diablo Village Water Company and Thim Utility Co. ("Joint Applicants"), hereby submit their Comments upon the July 8, 2009 Staff Report which has been filed in the above-captioned and above-docketed proceedings.

I.

DISCUSSION

The Joint Applicants are appreciative of the Commission Staff's recommendation that the two (2) requests for Commission action set forth in the March 2, 2009 Joint Application be approved. In that regard, the Joint Applicants believe that the two (2) conditions which accompany the Commission Staff's recommendation are of such a nature as to be susceptible to compliance well within the timeframes indicated in each such condition. However, the Staff Report does contain two (2) factual errors which should be corrected; and, such corrections are the second purpose of these Comments by the Joint Applicants.

More specifically, in connection with its discussion of the three (3) water systems owned and operated by Thim Utility, Co., the Staff Report states that:

Page 1 of 3

LAWRENCE V. ROBERTSON, JR.
ATTORNEY AT LAW
P.O. Box 1448
Tubac, Arizona 85646
(520) 398-0411

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

"Only the E&T system assets and service area is the subject of this Application." [see Executive Summary at page 1, second paragraph; Staff Report at page 1, "Background" section, third paragraph; and, Attachment "A" at page 1, "Introduction" section, second paragraph]

In actuality, the Asset Purchase Agreement which is the subject of the March 2, 2009 Joint Application contemplates the sale of both Thim Utility, Co.'s E&T system and its Lazy B system to the Metropolitan Domestic Water Improvement District ("Metro"). Accordingly, the Staff Report should be revised to reflect that fact.

In that regard, the Joint Applicants submit the following information for the convenience of the Commission's Staff. The Lazy B system is located in Section 30, Township 14 South, Range 12 East in Pima County, Arizona. The ADEQ public water service provider number for the Lazy B system is PWS# 10-218. The Lazy B system currently has 29 customer connections; and, it has one (1) well, which pumps 26 gallons per minute. In addition, the Lazy B system has 11,000 gallons of storage capacity. Finally, the customers of Lazy B have been provided with written notice of the proposed sale of the water system to Metro, as attested to by a July 1, 2009 Affidavit of Mailing, a copy of which is attached hereto as Appendix "A" and incorporated herein by this reference.

In addition, in its description of Thim Utility Co.'s E&T system, the Staff Report states that the water system is located within "South Tucson." [see Staff Report at page 2, "The Transaction" section, second paragraph; and, Attachment "A" at page 2, "E&T System Service Area" section] The water system is actually located within an unincorporated area in Pima County, Arizona. Accordingly, the Staff Report should be revised to reflect that fact as well.

II.

CONCLUSION

The Joint Applicants reiterate their appreciation for the Commission Staff's recommendation that the two (2) requests for Commission action set forth in the March 2, 2009 Joint Application be approved; and, they hope that the foregoing information will assist the

28

1	Commission's Staff in making the minor revi	ommission's Staff in making the minor revisions to the July 8, 2009 Staff Report which have						
2	hereinabove been suggested.							
3								
4	Dated this 10 th of July 2009.							
5		Respectfully submitted,						
6		Justes of Sovernak						
, 7		Lawrence V. Robertson, Jr. Attorney for Diablo Village Water Company and Thim Utility Co.						
8								
9								
10	Original and fifteen (15) copies of the foregoing Comments will be mailed							
11	this 10 th day of July 2009 with:							
12	Docket Control							
13	Arizona Corporation Commission 1200 West Washington							
14	Phoenix, Arizona 86007							
15	A copy of the same served by e-mail or first class mail this same date to:							
16	Hon. Lyn Farmer							
17	Hearing Division							
18	Arizona Corporation Commission 1200 W. Washington							
19	Phoenix, Arizona 85007							
20	Janice Alward, Chief Counsel							
21	Legal Division Arizona Corporation Commission							
22	1200 West Washington Street							
23	Phoenix, Arizona 85007							
24	Ernest Johnson, Director Utilities Division							
25	Arizona Corporation Commission 1200 West Washington Street							
26	Phoenix, Arizona 85007							
27	AP.							

Appendix "A"

Docket No. W-02309A-09-0095 Docket No. W-03293A-09-0095 July 10, 2009

AFFIDAVIT OF MAILING

TO WHOM IT MAY CONCERN:

Pursuant to the Sixth Ordering Paragraph of the June 9, 2009 Procedural Order issued in Arizona Corporation Commission Docket Nos. W-02309A-09-0095 and W-03293A-09-0095, the undersigned mailed copies of the attached Public Notice of Hearing on the Application of Diablo Village Water Company and Thim Utility, Co. to each customer of the aforesaid water companies who would be affected by the March 9, 2009 Joint Application which is the subject of the Public Hearing to be held on July 30, 2009 in the above-referenced docketed proceedings. The aforesaid mailing of notice was accomplished on June 18, 2009.

Dated this 1st day of July 2009.

Cindy Shumate, on behalf of

Diablo Village Water Company and

Thim Utility, Co.

Jun 19 2009 10:48AM AZ JET MAIL

DOCKET NO. S. W -02309 A -096095 520-571-6494 W-03293 A-09-0095

Jnited States Postal Service Postage Statement Standard Mail			List: Nor	List: Nardic Corp Pub Notice Ltr #119550		USPS: Note Mail Arrival Date & Time (Do Not Round-Stamp)						
	Permit Holder	Phone ((520)-571 -132 9									
Y A L LER	Arizona Jet-Mail Services 3710 E. 43rd Pl., Ste. 101 Tucson AZ 35713			Arizona 3710 E 4	E				Prepared For NORDIC CORP PO BOX 13145 TUCSON AZ 85732 WO#118558			
۱	CAPS Cust Ref No.											
	Customer No.		y	Customer	Customer No. Customer			Customer No.	No.			
				[]CMM	lailing (6/17/20		ost Cde Sta NOR			f Containers		
M	Type of [X]Permit []Parcels - Mach Postage []Parcels - Irre		Irregular		•		Total Weight	1' MM 2' MM 2' EMM 7				
Ī		[]Hreconceled []Ltrs Pd as NA []ECR Ltrs Pd as NA []ECR Lt		d as Flats		pounds 1,287		16.0875	Tot Trays 7 Flat Trays Sacks			
I N C	Permit # 541				ry ():	lass: []Perio Media []Parce Mail Post	1 [Sacked, Based on 1125 pcs 115 lbs []Both	Pallets Other			
		or Auto Price Pcs Enter Date For ECR Price Pcs Enter Date For ECR Price Pcs Enter Date Move Update Method f Address Matching & Coding of Address Matching & Coding of Carrier Route Sequencing [] ASE [] FAST forward [X]NCOALink 6/17/2009										
	Parts Campleted (Select all that apply) [X]A []B []C [X]D []E []F []G []H []I []J []K []L []S											
P 0 5		tice Affixed: Complete if the mailing includes pieces bearing metered or precance'ed stamps. Total Postage 250,70 The content The conten										
	Additional Posta	dditional Postage Payment (State reason)										
G E	Postmaster: Report Total Postage in AIC 136 (Permit Imprint Only) Total Adjusted Postage Permit Imprint											
(Permit Imprint Only) Total Adjusted Postage Permit Imprint The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on the mailer, and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agent liable for any deficiencies resulting from matters within their responsibility, knowledge, or cantrol. The mailer he certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the sup documentation comply with all postal standards and that the mailing qualifies for the prices and fees claimed; and to mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes form is leading information on this form or who omits information requested on this form may be subject to criminal and/of a penalties, including fines and imprisonment. Privacy Notice: For information regarding our Privacy Policy vis-t was												
I	Signeture C) Mailer or Agent			P	Printed Name of Mailer or Agent Signing Form				Telephone (520)-571-1329			
Ŋ	1 The	yv								xt 22		
u	Weight of a Sangle Piece pound				Are postage figures at left adjusted from [] Yes [mailer's entries? If "Yes" state reason:				5 [] No			
5 P 5	Total Pieces	ieces Total Weight Tatal Post								Stamp (Required) oil Released		
USE	Present Verification Performed? (Check Che)				Date Mo	uiler Notified	Contact	By (Iritials)				
٥	(2) proper prepo	(CERTIFY that this mailing has been inspected concerning: (1) eligibility for postage rates claimed; (2) proper preparation (and presort where required); (3) proper completion of postage statement; (4) payment of annual fee (if required); and (5) Sufficient funds on deposit (if required).							/3	MI BUSINESS MA		
Ÿ	USPS Employee's		Print USPS Employee's Name		Name	Time AP						

PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF DIABLO VILLAGE WATER COMPANY AND THIM UTILITY CO. FOR APPROVAL OF SALE OF ASSETS AND CANCELLATION OF CERTIFICATES OF CONVENIENCE AND NECESSITY. (Docket Nos. W-02309A-09-0095 and W-03293A-09-0095)

Summary

On March 9, 2009, Diablo Village Water Company and Thim Utility Co. ("Companies") filed with the Arizona Corporation Commission ("Commission") an application for approval to sell its assets and operations to Metropolitan Domestic Water Improvement District and to cancel their Certificates of Convenience and Necessity upon consummation of the sale. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the Companies' application, and the Commission is not bound by the proposals made by the Companies, Staff, or any intervenors. The Commission will issue a decision regarding the Companies' application following consideration of testimony and evidence presented at an evidentiary hearing.

How You Can View or Obtain a Copy of the Application

Copies of the application are available at the Companies' offices 6810 E Broadway Blvd #101, Tucson, AZ 85710 and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning July 30, 2009, at 10:00 a.m., at the Commission's offices, 400 West Congress, Room 5, South Building, Tucson, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit http://www.azcc.gov/divisions/utilities/forms/public comment.pdf for instructions), or by mailing a letter referencing Docket Numbers W-02309A-09-0095 and W-03293A09-0095 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at (800) 222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission no later than July 13, 2009. You must send copies of the motion to the Companies or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

- 1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
- 2. A short statement of your interest in the proceeding (e.g., a customer of the Companies, a shareholder of the Companies, etc.); and
- 3. A statement certifying that a copy of your motion to intervene has been mailed to the Companies or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that <u>all motions to intervene</u> <u>must be filed on or before July 13, 2009</u>. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Arizona Corporation Commission's webpage at http://www.azcc.gov/divisions/utility/forms.asp. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. <u>However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.</u>

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail SBernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

DOCKet NO.S W-02309A-09-0095 W-03293A-09-0095

TUCSON NEWSPAPERS

Tucson, Arizona

STATE OF ARIZONA) COUNTY OF PIMA)

Debbie Capanear, being first duly sworn deposes and says: that she is the Legal Advertising Representative of TNI PARTNERS, commonly known as TUCSON NEWSPAPERS, a General Partnership organized and existing under the laws of the State of Arizona, and that it prints and publishes the Arizona Daily Star, a daily newspaper printed and published in the City of Tucson, Pima County, State of Arizona, and having a general circulation in said City, County, State and elsewhere, and that the attached

Legal Notice

was printed and published correctly in the entire issue of the said Arizona Daily Star on each of the following dates, to-wit:

June 19, 2009

Subscribed and sworn to before me this 24 day of

Notary Public SILVÍA D' VALDEZ

Notary Public - Arizona Pima County Expires 12/15/09

My commission expires_

TNI AD NO.67842#

THEAD THE APPLICATION OF DIABLE VILLAGE WATER COMPANY AND THIN UTILITY CO. FOR APPROV. OF SALE OF ASSETS AN CANCELLATION OF CERTIFICATION OF SALE OF ASSETS AND CARTES OF CONVENIENCE AND INCESSITY. (Docket Nos. W-02309A-09 0095 and W-03233A-03-0095 Summary 2009: Diable VI large Water Company on March 9. 2009: Diable VI large Water Company on March 9. 2009: Diable VI large Water Company on Consistency of Company on a public of the Assets and Operations of Company on a publication for approval to sell its assets and operations to Metropolitan Domestic Water Improvement District and to cancel their Certificates on Convenience and Necessity agon consummation of Start has set improvement District and the Companies of Commission's Companies application of Start has not yet made a decision regarding the Companies application of Start has the Companies of Start has not yet made a decision regarding the Companies application of testing only and evidence of the Application are available as decision regarding the Companies application are available as appl

About Intervention
The law provides for an opposite free and public hearing at which, used appropriate crumins as der appropriate crumins are appropriate crumins as the provides for an opposite crumins are appropriate crumins as the provides of the public hearing at the provides of the public hearing at the provides of the public hearing at the provides of the public hearing to the public hear

among other things, entitles a party to present sworn evidence at hearing and to DOCKET NO.S W-02309A-09-0095 + W-03293A-09-0095

a party to present's dence at hearing concesses. However, intervene will not any customer from ing at the hearing.

cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

DA/Equal Access Informa-

ion the Commission does not isscriminate on the basis or issability in admission to its subilic meetings. Persons with a disability may request reasonable accommodate accommodate accommodation, as well as request this document in an alemative format, by contacting the ADA Coordinator in the ADA Co